GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industrial Promotion – M/s Intelligent SEZ Development Limited proposes to establish Sector Specific Special Economic Zone (SEZ) for Footwear manufacturing at Inagaluru Village, Srikalahasthi Mandal, Chittoor District and Pulivendula, YSR Kadapa District –Extending Special Package of incentives under Mega Project Category – Change of Name of the company – Comprehensive Orders – issued.

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INDUSTRIES AND COMMERCE (P&I) DEPARTMENT

G.O.Ms.No.77. Dated:02-12-2021.

Read the following:-

1. From M/s Intelligent SEZ Development Limited, dated 16.10.219.
2. Minutes of State Investment Promotion Committee meeting held on 31.08.2020
3. Minutes of State Investment Promotion Board meeting held on 03.11.2020.
4. G.O.Ms.No.76, Industries and Commerce (P&I) Department, dated 10.11.2020.
5. G.O.Ms.No.32, Industries and Commerce (Infra) Department, dated 11.05.2021.
6. Letter dated 15.10.2021 of Mr. Toni To, Chief Executive Officer, Intelligent Group.
7. Minutes of the State Investment Promotion Board meeting held on 16.11.2021

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ORDER:

In the reference 4th read above, the Government have extended Special Package of Incentives to M/s Intelligent SEZ Development Limited for the following proposed projects:-

(1) Footwear Manufacturing Project at Inagaluru Village, Srikalahasthi Mandal, Chittoor District with an investment of Rs.350 Crore over a period of 5 years in 1st phase from the date of getting SEZ approval and additional Rs.350Crore in 2ndphase over a period of 5 years with a potential to create direct employment to 10,000 people over a period of 10 years and

(2) Component manufacturing facility at Pulivendula, YSR Kadapa District with an investment of Rs.70.00 Crore with a potential to create employment to 2000 people.

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2. In the reference 5th read above, Government accorded permission to APIIC Ltd. to consider the modification orders in favour of M/s. Bestek Footwear India (P) Ltd., (an Indian entity of M/s. Intelligent SEZ Development Ltd., Hongkong) in proportion to the employment generated in relaxation to the IDP 2020-23 Policy, as a special case, being an employment intensive industry as per the request of the company.

3. Further, in the reference 6th read above, Mr. Toni To, Chief Executive Officer, Intelligent Group informed that Government of India rejected the application of both the companies for investing funds in India through Intelligent SEZ Development Ltd., Hong Kong. It was further informed that their Board has decided to route the investments in India from its other entity in Singapore - M/s Intelligent SEZ Development Pte Ltd, Singapore and accordingly two new companies are incorporated in India namely

a. **Hilltop SEZ Development India Pvt. Ltd.** with their parent company as Intelligent SEZ Development Pte Ltd, Singapore.
b. **Summit Footwear India Pvt. Ltd.** with their parent company as Intelligent SEZ Development Pte Ltd, Singapore.

4. As such, the Company has requested to issue modified/amendment orders to the Government orders already issued vide G.O.Ms.No.76, Industries and Commerce (P&I) Department, dated 10.11.2020 and G.O.Ms.No.32, Industries and Commerce (Infra) Department, dated 11.05.2021.

5. Accordingly, the proposal was placed before the State Investment Promotion Board meeting held on 16.11.2020 with the recommendations of the State Investment Promotion Committee.

6. The State Investment Promotion Board (SIPB) accorded approval for change of name, without change in incentives, in order to facilitate the company to get the Foreign Direct Investment from Singapore instead of Hongkong:

7. In the circumstances explained above, Government after careful examination of the matter hereby issue the comprehensive order in supersession of the orders issued in the reference 4th and 5th read above, extending following special package of incentives with change of name of the company, in order to facilitate the company to get the Foreign Direct Investment from the investment company M/s Intelligent SEZ Development Ltd., Singapore to their Indian entities to establish the footwear manufacturing project.

I **<u>Facility at Inagaluru Village, Srikalahasthi Mandal, Chittoor District</u>**

A. APIIC to allocate 298 acres of land at a concessional upfront land cost of Rs.6.5 Lakhs /acre at Inagaluru Village, Srikalahasthi Mandal, Chittoor District

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to M/s Hilltop SEZ Development India Pvt Ltd.

i. 100 Acres of land from lease-hold to free-hold upon creation of3,500 employment.
ii. Another 100 Acres of land from lease-hold to free-hold upon creation of 3,500 additional employment (total 7,000 employment),
iii. Remaining 98 Acres of land from lease-hold to free-hold upon creation of balance employment of 3,000, of the 10,000 employment promised.

B. After 10 years, any unutilized /under-utilized land will be taken back by the Government.
C. Power cost reimbursement @ Rs.1.00 per unit for a period of 5 years, post achieving a minimum of 2000 direct employment.
D. The above incentives are subject to providing 10,000 direct employments within 5 years from the date of commencement of commercial Production instead of 10 years as proposed by the Company.
E. Labour Department to notify minimum wages for leather and footwear category separately.

II. **Facility at Pulivendula, YSR District.**

To extend the same package of incentives to M/s Summit Footwear India Pvt Ltd at Pulivendula, YSR Kadapa District to set up footwear component manufacturing facility with an investment of Rs.70.00 Crore with a potential to create direct employment to 2000 people. The package includes:

a. To allot 27.94 Acres of land at an upfront land cost of Rs.6.5 Lakhs/acre.
b. The land will be transferred from lease-hold to free-hold upon creation of 2,000 employment or 10 years of successful operation, whichever is early, with a condition that after 10 years, any unutilized/underutilized land will be taken back by the Government.
c. Power cost reimbursement @ Rs.1.00 per unit for a period of 5 years, post achieving a minimum of 2000 direct employment.
d. The above incentives are subject to achieving a minimum of 2000 direct employment.

III. Waiver of Additional Process fee and GST on the additional process fee for the land at Inagaluru, Srikalahasthi(M), Chittoor District and Pulivendula, YSR District to a tune of Rs.40.12 Lakhs.
IV. All other incentives as per IDP 2020-23.

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8. The Director of Industries, Andhra Pradesh, Mangalagiri and the Vice-Chairman and Managing Director, APIIC, Mangalagiri shall take necessary action accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R.KARIKAL VALAVEN
SPECIAL CHIEF SECRETARY TO GOVERNMENT & CIP.

To
The Director of Industries, Andhra Pradesh, Mangalagiri.
The Vice-Chairman and Managing Director, APIIC., Mangalagiri.
Mr. Toni To, Chief Executive Officer, M/s Intelligent SEZ Development Pte Limited, Singapore
M/s Hilltop SEZ Development India Pvt Ltd. Inagaluru Village, Srikalahasthi Mandal, Chittoor District.
M/s Summit Footwear India Pvt Ltd, Pulivendula, YSR District.
The MA & UD Department.
The H.M. & F.W. Department.
The Collector & District Magistrate, Chittoor District.
The Collector & District Magistrate, YSR District.

Copy to:

P.S. to Secretary to Chief Minister
P.S. to Chief Secretary to Government
P.S. to Spl. Chief Secretary to Government & CIP, Ind. & Com. Dept.
The G.A (Cabinet) Dept. (w.r.t. their U.O. No.266/2021, Dt-19-11-2021).
SC/SF.

//FORWARDED::BYORDER//

SECTION OFFICER.

ASO 2/11/21